

Nutrient BMP Endorsement Premium Calculation Worksheet

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|----|---|-------|
| A) | Approved Yield | _____ |
| B) | Crop Share | _____ |
| C) | MPCI Price Election
(100% of MPCI set price) | _____ |
| D) | BMP Insured Acres | _____ |
| E) | BMP Premium Rate per acre | _____ |
| F) | Producer Subsidy Percentage (0.38) | _____ |
| G) | Deductible (0.05) | _____ |
| H) | Coverage Level (0.95) | _____ |

Part 1 – Amount of Insurance ($1.35 \times A \times H \times B \times C \times D$) _____

Part 2 – Total Premium ($B \times C \times D \times E$) _____

Part 3 – Subsidy ($F \times \text{Part 2}$) _____

Part 4 – Producer Premium ($\text{Part 2} - \text{Part 3}$) _____

Part 5 – Total Additional Charges – see Options next page _____
(Option 1 = J; or, Option 2 = Q)

Part 6 – Total Cost to Producer ($\text{Part 4} + \text{Part 5}$) _____

THIS WORKSHEET IS INCLUDED TO ASSIST IN ESTIMATING APPLICANT PREMIUM ONLY.

Additional Charges Worksheet

Option 1: Full Service Option: Minimum 100 acres

I. Additional Charge (\$3.25 per acre) _____

J. Total Additional Charges for Option 1 (I x D) _____

- OR -

Option 2: Custom Option: No minimum acreage

Check Strip Establishment Charge

If producer chooses to have insurer establish check strips please calculate items K and L. If not, please enter -0- for item L and proceed to the Adjustment Charge section (items N – P).

K. Per acre charge (\$1.25 x D) _____

- OR -

L. Set Fee
(\$125 for first check strip, \$50 each additional) _____

M. Enter the larger amount of item K and item L or
enter -0- if producer chooses not to have
insurer establish check strips _____

Adjustment Charge

N. Per acre charge (\$2.00 x D) _____

- OR -

O. Set Fee
(\$115 for one adjustment, \$50 each additional) _____

P. Enter the larger amount of item N and item O _____

Total Additional Charges for Option 2

Q. Total for Option 2 (M + P) _____

THIS WORKSHEET IS INCLUDED TO ASSIST IN ESTIMATING APPLICANT PREMIUM ONLY.

Instructions for Premium Worksheet

- A. Enter the approved yield (APH) for the management unit to be insured.
- B. Enter your crop share for the management unit to be insured.
- C. Enter 100% of the MPCl price election for corn.
- D. Enter the total number of BMP acres to be insured.
- E. Enter the BMP Premium Rate from the Nutrient BMP Endorsement actuarial documents.
- F. The producer's premium subsidy for this endorsement is 38%. Enter 0.38
- G. The deductible for this endorsement is 5%. Enter 0.05.
- H. The coverage level for this endorsement is 95%. Enter 0.95.

Part 1 – Amount of Insurance: Enter the result of multiplying 1.35 by approved yield, multiplied by the coverage level, multiplied by crop share, multiplied by price election, multiplied by BMP insured acres.

Part 2 – Total Premium: Enter the result of multiplying crop share by price election, multiplied by BMP insured acres, multiplied by BMP premium rate.

Part 3 – Subsidy: Enter the result of the premium subsidy multiplied by the result of Part 2.

Part 4 – Producer Premium: Enter the result of subtracting the result of Part 3 from the result of Part 2.

Part 5 – Total Additional Charges: Enter the result of item J if you select the full service option or enter the result of item Q if you select the custom option.

Part 6 – Total Cost to Producer: Add the result of Part 4 and the result of Part 5 and enter.

Instructions for Additional Charges Worksheet

The producer must select either Option 1 (Full Service Option) or Option 2 (Custom Option).

Option 1 – Full Service Option (minimum of 100 acres)

- I. **Additional Charge:** Enter \$3.25
- J. **Total Additional Charges for Option 1:** Enter the result of multiplying I by D (BMP insured acres).

Option 2 – Custom Option

Check Strip Establishment Charge

- K. **Per Acre Charge:** Enter the result of multiplying \$1.25 by D (BMP insured acres).
- L. **Set Fee:** Enter the total number of check strips needed (1 per management unit). The first check strip will be \$125 and each additional check will be \$50. Determine the sum of all check strip charges and enter.
- M. Enter the larger amount of item K and item L or enter -0- if producer chooses not to have insurer establish check strips and selects a consultant of his or her own.

Adjustment Charge

- N. **Per Acre Charge:** Enter \$2.00 multiplied by D (BMP insured acres).
- O. **Set Fee:** Estimate the total number of check strips. The first check strip adjustment will be \$115 and each additional will be \$50. Determine the sum of all charges and enter.

N-BMP Premium Calculation Worksheet

P. Enter the larger amount of item N and item O.

Total Additional Charges for Option 2

Q. Total for Option 2: Enter the result of the sum of item M and item P.